

(b) Each application filed under this part for an exemption or its renewal must—

(1) Be written in the English language;

(2) Be submitted in three copies to: Administrator, National Highway Traffic Safety Administration, Washington, DC 20590;

(3) State the full name and address of the applicant, the nature of its organization (individual, partnership, corporation, etc.) and the name of the State or country under the laws of which it is organized;

(4) State the number and title, and the text or substance of the standard or portion thereof from which the temporary exemption is sought, and the length of time desired for such exemption;

(5) Set forth the basis for the application and the information required by § 555.6(a), (b), (c), or (d) as appropriate.

(6) Specify any part of the information and data submitted which petitioner requests be withheld from public disclosure in accordance with part 512 of this chapter.

(i) The information and data which petitioner requests be withheld from public disclosure must be submitted in accordance with § 512.4 of this chapter.

(ii) The petitioner's request for withholding from public disclosure must be accompanied by a certification in support as set forth in appendix A to part 512 of this chapter.

(7) Set forth the reasons why the granting of the exemption would be in the public interest, and, as applicable, consistent with the objectives of 49 U.S.C. Chapter 301 or Chapter 325.

(c) The knowing and willful submission of false, fictitious or fraudulent information will subject the petitioner to the civil and criminal penalties of 18 U.S.C. 1001.

[38 FR 2694, Jan. 29, 1973, as amended at 39 FR 5489, Feb. 13, 1974; 46 FR 2063, Jan. 8, 1981; 63 FR 44173, Aug. 18, 1998; 64 FR 2861, Jan. 19, 1999; 70 FR 7429, Feb. 14, 2005]

§ 555.6 Basis for application.

(a) If the basis of the application is that compliance with the standard would cause substantial economic hardship to a manufacturer that has tried to comply with the standard in

good faith, the applicant shall provide the following information:

(1) Engineering and financial information demonstrating in detail how compliance or failure to obtain an exemption would cause substantial economic hardship, including—

(i) A list or description of each item of motor vehicle equipment that would have to be modified in order to achieve compliance;

(ii) The itemized estimated cost to modify each such item of motor vehicle equipment if compliance were to be achieved—

(A) As soon as possible,

(B) At the end of a 1-year exemption period (if the petition is for 1 year or more),

(C) At the end of a 2-year exemption period (if the petition is for 2 years or more),

(D) At the end of a 3-year exemption period (if the petition is for 3 years),

(iii) The estimated price increase per vehicle to balance the total costs incurred pursuant to paragraph (a)(1)(ii) of this section and a statement of the anticipated effect of each such price increase;

(iv) Corporate balance sheets and income statements for the three fiscal years immediately preceding the filing of the application;

(v) Projected balance sheet and income statement for the fiscal year following a denial of the application; and

(vi) A discussion of any other hardships (e.g., loss of market, difficulty of obtaining goods and services for compliance) that the petitioner desires the agency to consider.

(2) A description of its efforts to comply with the standards, including—

(i) A chronological analysis of such efforts showing its relationship to the rule making history of the standard from which exemption is sought;

(ii) A discussion of alternate means of compliance considered and the reasons for rejection of each;

(iii) A discussion of any other factors (e.g., the resources available to the petitioner, inability to procure goods and services necessary for compliance following a timely request) that the petitioner desires the NHTSA to consider in deciding whether the petitioner

§ 555.6

49 CFR Ch. V (10–1–10 Edition)

tried in good faith to comply with the standard;

(iv) A description of the steps to be taken, while the exemption is in effect, and the estimated date by which full compliance will be achieved either by design changes or termination of production of nonconforming vehicles; and

(v) The total number of motor vehicles produced by or on behalf of the petitioner in the 12-month period prior to filing the petition, and the inclusive dates of the period. (49 U.S.C. 30113(d) limits eligibility for exemption on the basis of economic hardship to manufacturers whose total motor vehicle production in the year preceding the filing of their applications does not exceed 10,000.)

(b) If the basis of the application is that the exemption would make easier the development or field evaluation of a new motor vehicle safety or impact protection features providing a safety or impact protection level at least equal to that of the standard, the applicant shall provide the following information:

(1) A description of the safety or impact protection features, and research, development, and testing documentation establishing the innovational nature of such features.

(2) An analysis establishing that the level of safety or impact protection of the feature is equivalent to or exceeds the level of safety or impact protection established in the standard from which exemption is sought, including—

(i) A detailed description of how a vehicle equipped with the safety or impact protection feature differs from one that complies with the standard;

(ii) If applicant is presently manufacturing a vehicle conforming to the standard, the results of tests conducted to substantiate certification to the standard; and

(iii) The results of tests conducted on the safety or impact protection features that demonstrates performance which meets or exceeds the requirements of the standard.

(3) Substantiation that a temporary exemption would facilitate the development or field evaluation of the vehicle.

(4) A statement whether, at the end of the exemption period, the manufac-

turer intends to conform to the standard, apply for a further exemption, or petition for rulemaking to amend the standard to incorporate the safety or impact protection features.

(5) A statement that not more than 2,500 exempted vehicles will be sold in the United States in any 12-month period for which an exemption may be granted pursuant to this paragraph. An application for renewal of such an exemption shall also include the total number of exempted vehicles sold in the United States under the existing exemption.

(c) If the basis of the application is that the exemption would make the development or field evaluation of a low-emission vehicle easier and would not unreasonably lower the safety or impact protection level of that vehicle, the applicant shall provide—

(1) Substantiation that the vehicle is a low-emission vehicle as defined by 49 U.S.C. 30113(a).

(2) Research, development, and testing documentation establishing that a temporary exemption would not unreasonably degrade the safety or impact protection of the vehicle, including—

(i) A detailed description of how the motor vehicle equipped with the low-emission engine would, if exempted, differ from one that complies with the standard;

(ii) If the applicant is presently manufacturing a vehicle conforming to the standard, the results of tests conducted to substantiate certification to the standard;

(iii) The results of any tests conducted on the vehicle that demonstrate its failure to meet the standard, expressed as comparative performance levels; and

(iv) Reasons why the failure to meet the standard does not unreasonably degrade the safety or impact protection of the vehicle.

(3) Substantiation that a temporary exemption would facilitate the development or field evaluation of the vehicle.

(4) A statement whether, at the end of the exemption period, the manufacturer intends to conform with the standard.

(5) A statement that not more than 2,500 exempted vehicles will be sold in

the United States in any 12-month period for which an exemption may be granted pursuant to this paragraph. An application for renewal of an exemption shall also include the total number of exempted vehicles sold in the United States under the existing exemption.

(d) If the basis of the application is that the applicant is otherwise unable to sell a vehicle whose overall level of safety or impact protection is at least equal to that of a nonexempted vehicle, the applicant shall provide—

(1) A detailed analysis of how the vehicle provides the overall level of safety or impact protection at least equal to that of nonexempted vehicles, including—

(i) A detailed description of how the motor vehicle, if exempted, differs from one that conforms to the standard;

(ii) A detailed description of any safety or impact protection features that the vehicle offers as standard equipment that are not required by the Federal motor vehicle safety or bumper standards;

(iii) The results of any tests conducted on the vehicle demonstrating that it fails to meet the standard, expressed as comparative performance levels;

(iv) The results of any tests conducted on the vehicle demonstrating that its overall level of safety or impact protection exceeds that which is achieved by conformity to the standards.

(v) Other arguments that the overall level of safety or impact protection of the vehicle is at least equal to that of nonexempted vehicles.

(2) Substantiation that compliance would prevent the sale of the vehicle.

(3) A statement whether, at the end of the exemption period, the manufacturer intends to comply with the standard.

(4) A statement that not more than 2,500 exempted vehicles will be sold in the United States in any 12-month period for which an exemption may be granted pursuant to this paragraph. An application for renewal of any exemption shall also include the total number of exempted vehicles sold in the

United States under the existing exemption.

[38 FR 2694, Jan. 29, 1973, as amended at 39 FR 5489, Feb. 13, 1974; 63 FR 44173, Aug. 18, 1998; 64 FR 2861, Jan. 19, 1999]

§ 555.7 Processing of applications.

(a) The NHTSA publishes in the FEDERAL REGISTER, affording opportunity for comment, a notice of each application containing the information required by this part. However, if the NHTSA finds that an application does not contain the information required by this part, it so informs the applicant, pointing out the areas of insufficiency and stating that the application will not receive further consideration until the required information is submitted.

(b) No public hearing, argument, or other formal proceeding is held directly on an application filed under this part before its disposition under this section.

(c) Any interested person may, upon written request, appear informally before an appropriate official of the NHTSA to discuss an application for exemption or the action taken in response to a petition.

(d) If the Administrator determines that the application does not contain adequate justification, he denies it and notifies the petitioner in writing. He also publishes in the FEDERAL REGISTER a notice of the denial and the reasons for it.

(e) If the Administrator determines that the application contains adequate justification, he grants it, and notifies the petitioner in writing. He also publishes in the FEDERAL REGISTER a notice of the grant and the reasons for it.

(f) Unless a later effective date is specified in the notice of the grant, a temporary exemption is effective upon publication of the notice in the FEDERAL REGISTER and exempts vehicles manufactured on and after the effective date.

[38 FR 2694, Jan. 29, 1973, as amended at 39 FR 5489, Feb. 13, 1974; 39 FR 37988, Oct. 25, 1974; 64 FR 2861, 2862, Jan. 19, 1999]